American Federation of State, County and Municipal Employees One strong united voice for Minnesota workers

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Honorable Members of the House Workforce Development Committee:

AFSCME Council 5 is a public and private sector labor union representing roughly 43,000 working people across Minnesota. We believe there is dignity in all work and there should be dignity and prosperity for all workers. In pursuit of that ideal, we have long supported the creation of a Paid Leave program for working Minnesotans. For years, we have worked in partnership and in coalition to that end. The collaborative process produced one of strongest paid leave laws in the nation.

We're writing in opposition to substantive alterations to the agreed upon legislation passed last session. Specifically, we oppose a change adopted in the Senate last week which will require PTO to be used prior to accessing benefits. Minnesotans were promised 12 weeks of partial wage replacement through a Paid Leave program without a requirement to use accrued PTO. We ask you to honor that promise.

PTO is something an employee and employer have already agreed upon as part of the compensation package for work performed; it is a form of deferred compensation and should have no bearing on someone's eligibility for the benefits they are paying for through this program. Again, Minnesotans were promised 12 weeks of paid leave and told "everyone pays, everyone benefits". This change abandons those promises and asks some workers to pay twice.

While an employee may have ample PTO available, they cannot necessarily use it. Take the Department of Corrections, DHS Direct Care and Treatment, or the Minneapolis Veterans Home as just a few examples where low staffing levels plague the workforce and limit some employees' ability to use their accrued PTO. These facilities operate 24 hours a day, seven days a week and for workers on the frontlines of program delivery, being able to use their PTO is, unfortunately, not a guarantee. Meanwhile, other employees of the same employer (various levels of management, central offices, or those working a more traditional schedule) may never face barriers when trying to use their PTO.

How is this equitable to the person making \$20 or \$25 an hour who has been denied multiple vacation requests to attend a family funeral or a wedding while their managers or others in their organization make two to three times as much and have no problem getting their vacation approved?

Finally, this approach will incentivize perverse action on behalf of applicants. Specifically, applicants will be encouraged to cash-out available PTO below 80 hours, prior to applying for Paid Leave benefits. This will, simultaneously, make them eligible for paid benefits in their initial week, and may boost the applicant's average weekly wage during the high quarter of their base period, used to calculate their benefit amount. Not every worker can cash out their PTO or even use it at their own discretion. This is not an equitable proposal.

Keep your promises to Minnesotans and reject new proposals to require the use of accrued PTO before accessing the Paid Leave benefits we're paying for.

In Solidarity,

Bart & Anderson

Bart Andersen Interim Executive Director

Ethen Vogel

Ethan Vogel Legislative Director